## TDOE – 2018 Spring Fiscal Workshop

# Accountability Challenges

## **Internal School Funds - How To's**

L. Rene Brison, CPA, CFE Deputy Chief Investigator April 17, 2018



## April Showers





















## Colors my perspective



## Session Objectives

- **◆**Topics:
  - Ticket reconciliation
  - Teacher collection log
  - Purchase Order
  - ■Sales Tax
  - ■Etc.



## Right or Wrong Not Focus



Disclaimer

- Not just one way to do it right
- Some ways might be better than **TISUAPM**
- Some might be inadequate

OF THE TREASURY

Session Objective

Processes

AccountabilityControl

Compliance



think

## **TISUAPM**

# Ticket Reconciliation



## Ticket Reconciliation

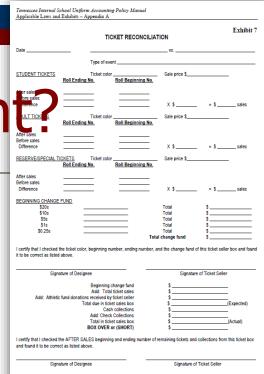
Tennessee Internal School Uniform Accounting Policy Manual Applicable Laws and Exhibits – Appendix A  Exhibit 7	Use of a
TICKET RECONCILIATION	
Date vs   Type of event	is an int
STUDENT TICKETS Ticket color Sale price \$ Roll Ending No. Roll Beginning No.	
After sales  Before sales  Difference  X \$ = \$ sales	required
ADULT TICKETS Ticket color Sale price \$ Roll Ending No. Roll Beginning No.	10901101
After sales	as athle
RESERVE/SPECIAL TICKETS Ticket color Sale price SRoll Ending No. Roll Beginning No.	ao atme
After sales	for which
BEGINNING CHANGE FUND   Total \$	IOI WITH
\$5s Total \$ \$1s Total \$	
\$0.25s Total \$  Total change fund \$  I certify that I checked the ticket color, beginning number, ending number, and the change fund of this ticket seller box and found	paid in a
it to be correct as listed above.	
Signature of Designee Signature of Ticket Seller  Beginning change fund \$	collection
Add: Total ticket sales \$ Add: Athletic fund donations received by ticket seller \$	COIIECTIC
Total due in ticket sales box \$(Expected) Cash collections \$ Add: Check Collections \$	
Total in ticket cales box \$(Actual)  BOX OVER or (SHORT) \$	(TISUAP
I certify that I checked the AFTER SALES beginning and ending number of remaining tickets and collections from this ticket box and found it to be correct as listed above.	(1130AF
Signature of Designee Signature of Ticket Seller	
A-20	

a ticket reconciliation ternal control that is d for all events, such etics or entertainment, ch a fee is charged or advance, and a on log is not used.

PM Section 5-4)

## Why Can't I Get This Right

- Form not quick and easy
- ◆ Time and inconvenience
- Generally gate workers
  - Not engaged (possibly resentful)
  - Not responsible
  - Not told/trained fail to understand the importance of each step



OF THE TREASURY

## Why Can't I Get This Right

- Bookkeeper willing to "take care of it"
- Sometimes oval peg in round hole

	П	CKET RECONCI	LIATION	Exhibit
Date			vs	
	Type of ev	ent		
STUDENT TICKETS	Ticket cold	r	Sale price \$	
	Roll Ending No.	Roll Beginning N	0.	
fer sale				
fore sales				
mererice				_ = \$ sales
ULT TICKE S	Ticket cold			
	Roll Ending No.	Roll Beginning N	<u>o.</u>	
After sales				
Before sales Difference			. X \$	_ = \$ sales
DESCRIPTION TO THE PERSON OF T	101/570 7.1.1.1			
KESERVE/SPECIAL I	ICKETS Ticket cold Roll Ending No.	Roll Beginning N		
After sales Before sales				
Difference			x \$	_ = \$ sales
BEGINNING CHANGE	FUND			
\$20s			Total	\$
\$10s \$5s			Total Total	\$
\$06 \$1s			Total	·
\$0.25s			Total	š
***			Total change fund	\$
I certify that I checked t it to be correct as listed		umber, ending numb	er, and the change fund	of this ticket seller box and fou
Signa	ature of Designee		Signatu	re of Ticket Seller
	Beginning	change fund	\$	
		al ticket sales		
Add: Athletic	fund donations received b Total due in tic		\$	(Expected)
	Car	h collections	\$	
		k Collections ket sales box	\$	(Actual)
		or (SHORT)	\$	(ACUAI)
I certify that I checked t and found it to be corre		ng and ending numbe	r of remaining tickets an	d collections from this ticket box
Sign	ature of Designee		Signature of	of Ticket Seller



## **Always Date**

Tennessee Internal Schull Uniform Accounting Policy Manual
Applicable Laws and hibits – Appendix A

Date 4-17-18

TICKET RECONCILIATION

??

Type of event

VS

??

Varsity Football, JV, Girls, Boys, "Oklahoma" Fall Festival, etc. – Be SPECIFIC!

Exhibit 7

## Designated Party/Bookkeeper?

- Date and other identifying info
- Ticket color(s) and expected sales price
- "Before-sales" ticket number info
- Make-up and amounts of beginning change

(Assumption – new 100 ticket rolls)

Date 4-17-18		Tenne	ssee Schoo	/ vs	Any	School	
		Type of ever	n_VArsi	4 FOOTH	09/1		
STUDENT TICKETS	Roll Ending N		Red Roll Beginning No		5		
After sales Before sales Difference	100			x \$		= \$	_ sales
ADULT TICKETS	Roll Ending N		White Roll Beginning No	Sale price \$	7_	<del></del>	
After sales Before sales Difference	100	_		x \$		= \$	_ sales
RESERVE/SPECIAL TIC	CKETS Roll Ending N		Blue Roll Beginning No	Sale price \$	10		
After sales		_					
Before sales Difference	160	_		х \$		= \$	_ sales
BEGINNING CHANGE	FUND						
\$20s				Total		\$	
\$10s	_	10		Total		\$ 100	
\$5s \$1s	_	60 90		Total		\$ 300	
\$0.25s	:	40		Total Total		s 10	
40.500	·	10	T	otal change fund		\$ 500	

	HOKETK	ECONCILIATION		
Date 4-17-18		School vs.		
	Type of event	Varsity Footh	02//	
STUDENT TICKETS	Ticket color R		5	
After sales Before sales Difference	100	/ x s	= \$	sales
ADULT TICKETS		Sale price \$	7	2.
After sales Before sales Difference	100		= \$	sales
RESERVE/SPECIAL 1		Sale price \$	10	
After sales Before sales Difference	160	x \$	= \$	sales
8EGINNING CHANGE \$20s \$10s \$5s \$1s \$0.25s	FUND —	Total Total Total Total Total <b>Total change fund</b>	\$ \$ \$	
I certify that I checked it to be correct as listed	the ticket color, beginning number, er d above.	nding number, and the change t	fund of this ticket seller	r box and found
Sign	ature of Designee	Sign	nature of Ticket Seller	
Add: Athleti	Beginning change fu Add: Total ticket sa c fund donations received by ticket se	les \$		
	Total due in ticket sales b Cash collectio Add: Check Collectio	ons \$	(	Expected)
	Total in ticket sales b BOX OVER or (SHOR	ox \$		(Actual)
I certify that I checked and found it to be corre	the AFTER SALES beginning and end ect as listed above.	ding number of remaining ticket	s and collections from	this ticket box
Sign	ature of Designee	Signatu	ure of Ticket Seller	



Exilibit /

	,	ICKET RECONCILIA	IION		
Date 4-17-18	Tenn	essee School	vsAn	y School	
	Type of e	/			
STUDENT TICKETS	Ticket co	or Red Roll Beginning No.	Sale price \$ 5		
After sales Before sales Difference	100		x \$	= \$	_ sales
ADULT TICKETS	Ticket co Roll Ending No.	or White Roll Beginning No.	Sale price \$ 7		
After sales Before sales Difference RESERVE/SPECIAL TO	ICKETS Ticket co		X \$ Sale price \$_/\(\infty\)	= \$	_ sales
RESERVE/SPECIAL I	Roll Ending No.	Roll Beginning No.	Sale price \$_70		
After sales Before sales Difference	160		х \$	= \$	_ sales
BEGINNING CHANGE \$20s \$10s \$5s \$1s \$0.25s	FUND — — — — — — — — — — — — — — — — — — —	Tota	Total Total Total Total Total Il change fund	\$ -00 \$ 300 \$ 90 \$ 10 \$ 500	
I certify that I checked to it to be correct as listed	the ticket color, beginning above.	number, ending number, a	nd the change fund of	f this ticket seller b	ox and foun
Signa	ature of Designee	_	Signature	of Ticket Seller	
Add: Athletic	Add: Tol fund donations received to Total due in tid Ca Add: Che		\$ \$ \$ \$ \$		pected)
	BOX OVER the AFTER SALES beginning	xet sales box R or (SHORT) ing and ending number of r	\$	collections from thi	
and found it to be corre	ct as listed above.				
Signa	ature of Designee		Signature of	Ticket Seller	

A-20



		TICKET RECONC	ILIATION	Exhibit
Date 4-17-11	8	FH5	vs. Ten	nessee School
	Type of	eventVarsi	ty Footbell	
STUDENT TICKETS	Ticket o	0 1	Sale price \$ 4	
After sales				
Before sales Difference	100	_ /_	x \$	= \$ sales
ADULT TICKETS	Ticket or Roll Ending No.	Roll Beginning	Sale price \$	112 ASSESSMENT OF THE PROPERTY
After sales				
Before sales Difference	100		x \$	= \$ sales
RESERVE/SPECIAL T	ICKETS Ticket co Roll Ending No.	Roll Beginning N	Sale price \$	
After sales				
Before sales Difference	_100		x \$	= \$ sales
BEGINNING CHANGE	FUND			
\$20s			Total	s —
\$10s			Total	\$ 100.00
\$5s			Total	\$ 300.00
\$1s	90	)	Total	\$_90.00
\$0.25s	40		Total Total change fund	\$ 10.00
certify that I checked to to be correct as listed	ne ticket color, beginning			of this ticket seller box and four
To	m Vones		L P	ine River
Signal	ture of Designee			of Ticket Seller
	Beginnin	g change fund	\$	
1 March 1994		tal ticket sales	\$	
Add: Althletic	fund donations received		\$	
		cket sales box	\$	(Expected)
		sh collections	\$	700000000
		ck Collections	\$	
	BOX OVER	cket sales box R or (SHORT)	\$	(Actual)
pertify that I checked the	e AFTER SALES beginn	55 55	2007	collections from this ticket box

Signature of Designee

Signature of Ticket Seller

## Assumptions

- \$50 tickets of each color sold
- ◆\$500 beginning change



Date 4-17-18	Tenne	ssee School	_vsAny	School .
	Type of ever	NArsity	Football	
STUDENT TICKETS	Ticket color Roll Ending No.	Red Roll Beginning No.	Sale price \$ 5	
After sales Before sales Difference	100	51	x \$_5_	= \$ 250 sales
ADULT TICKETS	Ticket color Roll Ending No.	Roll Beginning No.	Sale price \$ 7	
After sales Before sales Difference	100	50	x s_7_	= \$ 350 sales
RESERVE/SPECIAL TO	CKETS Ticket color Roll Ending No.	Blue. Roll Beginning No.	Sale price \$ 10	
After sales Before sales Difference	100	50	x \$_/O	= \$ 500 sales

BEGINNING CHANGE FUND			
\$20s		Total	5 -
\$10s	10	Total	\$ 100
\$5s	60	Total	\$ 300
\$1s	90	Total	\$ 90
\$0.25s	40	Total	\$ 10
		Total change fund	\$ 500
I certify that I checked the ticket color, beg	inning number, ending n	umber, and the change fund of	this ticket celler hav and found
it to be correct as listed above.	mining manneur, emanig m	amount, and the tribinge stand or	and boxet admen box and reging
		1	2 1.
Volu Valler		& sto	ere Brison
Signature of Designee			of Ticket Seller
		The second	
	ginning change fund	s_500	
[14] [14] [14] [14] [14] [14] [14] [14]	dd: Total ticket sales	\$ 1100	22 20 20 20
Add: Athletic fund donations rec	eived by ticket seller	\$	
Total di	ue in ticket sales box	\$ 1600	(Expected)
	Cash collections	\$_1577	
Ad	d: Check Collections	\$ 24	
To	tal in ticket sales box	s 16001	(Actual)
BOX	OVER or (SHORT)	\$/	
I certify that I checked the AFTER SALES	healaning and ending au	mher of romaining tickets and o	alloctions from this ticket have
and found it to be correct as listed above.	eagining aire attenty ris	inter or remaining concess and o	Circulation and pure our
117		. 0	0.
John Jones		X Vous	LILADA
Signature of Designee		Signature of T	icket Seller
f oidingmid or positings		orginature or t	icker gelief

Signature of Designee

## What to Remember

- ◆ For effectiveness of financial "control" of using prenumbere tickets –attendee must be required to have it to enter event (location other than ticket booth)
- Designate responsibilities
  - Who prepares tickets/change box and documents (not the ticketseller)
  - Who is designee?

## What to Remember

- Designate responsibilities (continued)
  - Who counts money?
  - Who makes copies (and how, when and where?)
  - Who receives and reconciles prenumbered receipts to ticket reconciliation?

## What to Remember

- Document
  - Beginning change verification
  - Beginning and ending ticket number verification
  - Ending count and record of count by sellers/adm.
  - List of checks (name, number, amt.)
- Never sign blank forms

	of Education	FORM: 2.701.F1	Athletic Event Financial Statement	07/01/2012	E:
Nort	h	vs. Centro	1	Varsity	
	Foot	ball	Game	Freshman B-Team	_
	Dat	w: <u>8-18</u>		Other	
1 44 5	Beginning C	Cash;	\$ 4500.0		
	Total Gate I	Receipts:	\$ 6900.0		
	Final Cash:		s_ 11400.0	202	
XPENSES:	Officials:		s 570.0	Ω	
	Police Prote	ection:	\$ 2000	0	
1	Ticket Take	rs and Sellers:	\$ 2800	D	
200	Other:		\$		
. P. 15		TOTAL EXPENSES	1050.0	0	
	Ending Stude Total Stude Beginning A Ending Adu	Student Ticket Number dent Ticket Number nt Tickets Sold dult Ticket Number It Ticket Number Tickets Sold	======================================	1 359	
ADMISSION:					
	Pre-Game 8 Pre-Game A Sold at Gam	Adult x	Number Sold = \$	Logon	=
	Total Receip Total Expen Balance:		\$ 1,050.00 \$ 1,050.00 \$ 5950.00		
hared Amount		to be divided	with		Schoo
Number of Admis	sion Using Al Sullivan Cou VIP: TSSAA: Press:		Middle School Athletics Community Team: Other: Total:		

COPY: Director of School's Office (to be submitted one week after the contest COPY: Retained by School

### **TISUAPM**

# Teacher Collection

Log



## **Teacher Collection Log**

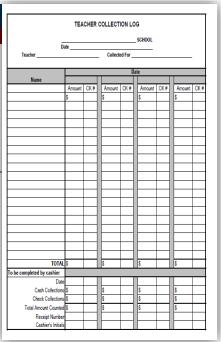
A collection log may be prepared as an alternative to prenumbered receipts.

(TISUAPM Section 5-4)

	TEA	CHER	COLLECT	ION LC	)G			
					CCHOOL			
Di	ate				SCHOOL			
Teacher				ed For _				
				D	ate			
Name		014.0						214.0
	Amount	CK#	Amount	CK#	Amount	CK#	Amount	CK#
	\$		\$	Ш	\$		\$	
			<b>.</b>	Ш	⊢			
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		$\vdash$	_	$\vdash$	_			
			-	$\vdash$	-			
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				Ш				
				П				
TOTAL	\$		\$	П	\$		\$	
To be completed by cashier								
Date								
Cash Collections			\$		\$		\$	
Check Collections			\$		\$		\$	
Total Amount Counted			\$		\$		\$	
Receipt Number								
Cashier's Initials								

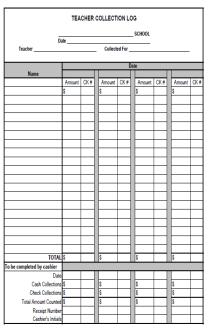
## Why Can't I Get This Right?

- Form not quick and easy
- Staff
  - Not trained
  - Time crunch (students in classroom)
  - Don't understand importance of fully and properly completing
  - Don't want to get caught breaking rules



## Why Can't I Get This Right?

- ◆ Staff (cont.)
  - Copier unavailable/inconvenient
  - Delivering money to bookkeeper inconvenient
  - Sometimes square peg in round hole





## Teacher/Other Completes

		TEACH	ER COLLECTION LOG
	0	Tenr Date 4-17	nessee school
Teacher_	Kene	Brison	Collected For State Museum Field fri

## Teacher/Other Completes

		Date								
Name	4-17		4-18			河(古)				
	Amount	CK#	Amount		Amount	CK#	Amount	CK#		
Johnny Smith	\$ 10		\$		\$		\$			
Janey Jones	10	1025								
Billy Brown	- //		10							
Johnny Smith Janey Jones Billy Brown Sally White Donnie Dixon			10							
Donnie Dixon			10							
950										
			6		7					
							7			
		1								
				1						
						1				
TOTA	\$ 20	0.00	\$ 30	8	\$		\$			

## Cashier/Bookkeeper Completes

To be completed by cashier				
Date	447-18	4-18-18		
Cash Collections	V-	\$ 30	\$	\$
Check Collections	\$ 10	\$	\$	S
Total Amount Counted	\$ 20	\$ 30	\$	S
Receipt Number	7961	7983	-	
Cashier's Initials	TBK	TBK	8	

#### TEACHER COLLECTION LOG

Tennessee school 4-17-18 Teacher Rene BRISON

Collected For State Museum Field trip

Months of the Section	Date							
Name	4-17-18		4-18-18		B STEEL STATE		<b>设度 3600 电影</b>	
	Amount	CK#	Amount	CK#	Amount	CK#	Amount	CK#
Johnny Smith	\$ 10		\$		\$		\$	
Janey Jones	10	1025						
Billy Brown			10					
Jally white Donnie Dixon			10		1			
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		_			-			
		_			8			
TOTAL	c 4 c	_	0.53					
TOTAL To be completed by cashier	\$ 80	2000 Name of	\$ 30	Contraction of	\$	-	\$	SOURCES.
	11.17.10		11/10/10	REVOKO Z	Service of the service of	Pictor		
Cash Collections	447-18	-	4-18-18	-				
Check Collections		-	\$ 30	-	\$	_	\$	
		_		-		-	\$	
Total Amount Counted	_	-	\$ 30	_	\$		\$	
Receipt Number	7961		7983			-		
Cashier's Initials	TBK	- 1	TBK	2	9			

- Help staff understand importance of:
  - Fully and properly completing log (including date)
  - Recording cash and checks separately
  - Turning in \$\$ daily (or more often)
  - Retaining copies
  - **RETAINING COPIES**



- Help staff understand importance of:
  - Obtaining prenumbered receipt from bookkeeper and reconciling to collection log
  - Cashier/bookkeeper entering date, receipt number, receipt date and initialing collection log
  - Never sign blank forms

#### **TISUAPM**

# Purchase Requisition/ Authorization

OF THE TREASURY

## Purchase Requisition/Authorization

Central High School		PURCHASE REQUISITIO	N/AUTHORIZATIO	N	
Purchased From Date				No	
Purchased From Date	_				
Account to be Charged  Quantity Item/Service and Description Unit Unit Price Amount  Requested by Date This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date	] -	111 Tennessee Stree	t, Anywhere, TN		
Account to be Charged  Quantity Item/Service and Description Unit Unit Price Amount  Requested by	Purchased From		Date		
Date   Date	-		_		
Quantity Item/Service and Description Unit Unit Price Amount	-				
Requested by Date This account has a sufficient balance to make this purchase.  Bookkeeper Date Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date	Quantity	Item/Service and Description	Unit	Unit Price	Amount
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
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This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date					
This account has a sufficient balance to make this purchase.  Bookkeeper Date  Approved by Date			11		
Bookkeeper	Requested by		Date		
Approved by Date	This account has a s	ufficient balance to make this purchase.			
	Bookkeeper		Date		
L	Approved by		Date		
Date of Payment Check No	Date of Payment		Check No.		

▶ To initiate a purchase which does not require advertised bids...a prenumbered purchase requisition should be completed.



## Why Can't I Get This Right?

- Seems like useless paperwork don't understand the control
- Don't understand controls
- Don't know who, what or how
- Not properly authorized
- Not completed and authorized PRIOR to purchase
- Not reconciled to invoice

	PURCHASE REQUISITION/AUTHORIZATION		
	No		
	Central High School		
	111 Tennessee Street, Anywhere, TN		
Purchased From	Date		
	Account to		
	be Charged		

Quantity	Item/Service and Description	Unit	Unit Price	Amount
		<u> </u>		
		<u> </u>		
		<u> </u>		
		<u>                                     </u>		
Requested by		Date		

This account has a sufficient balance to make this purchase		
Bookkeeper	Date	
Approved by	Date	
Date of Payment	Check No	

What the PR/PA process does?

Helps ensure available funds

Helps ensure appropriat purchase which will benefit appropriate school parties Tenniessee COMPTROLLER

- Train staff to get authorization PRIOR to purchase
- Bookkeeper review account balance before signing and dating
- Principal sign and date to indicate authorization
- Never sign blank forms





## Why Can't I Get This Right?

- Don't know whether to pay or not
- Don't want to pay
- Forget to have vendor add it



- ◆Pay sales tax on purchases of ALL resale items (exceptions regarding books and school lunches).
- ◆Pay sales tax REGARDLESS of whether items are resold for profit or at cost.
- Don't forget Sam's Club.





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